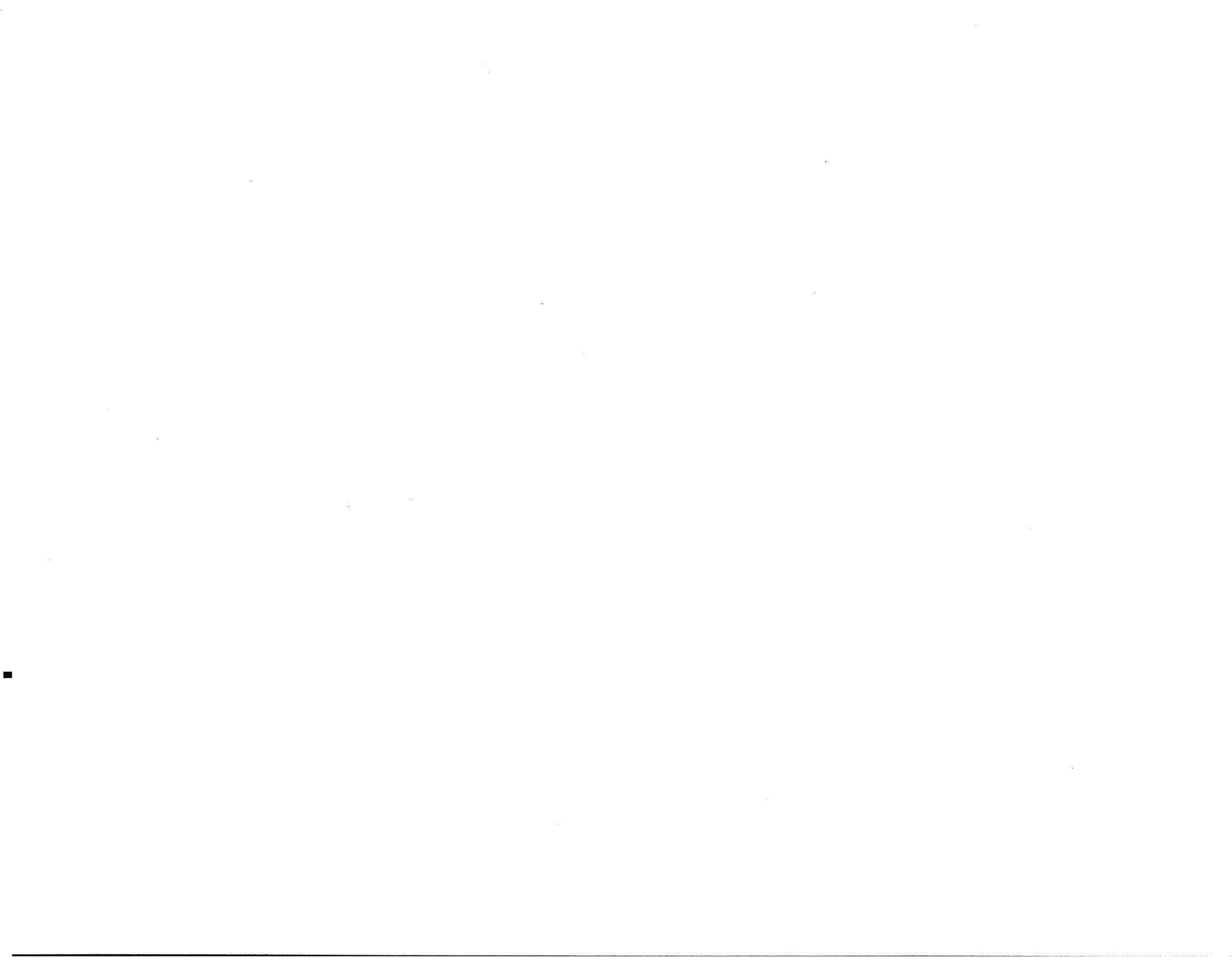


Economic Outlook



Economic Outlook

Overview

Higher-than-expected rates of growth in employment, personal income, and tax collections are indicative of the continuing system-wide expansion of Hawaii's economy. In addition, the level of construction permitting bodes well for future investment activity. Visitor arrivals and average daily visitor census are both up and federal spending remains strong.

Labor Force and Jobs

For the first nine months of 2005, average civilian employment was 613,800, which is 19,150 persons or 3.2% higher than that for the same period of 2004. The civilian labor force was 631,600, an increase of 16,300 persons or 2.6%. The statewide unemployment rate decreased 0.6 percentage points to 2.8%.

The total number of wage and salary jobs increased by more than 16,700 or 2.9% statewide for the first three quarters of 2005 over the same period of 2004, following a strong 2.6% job growth in 2004. Job increases were largest in Construction (2,950 jobs or 10.2%), followed by Professional and Business Services (2,550 jobs or 3.6%), Retail Trade (2,400 jobs or 3.6%), Transportation, Warehousing and Utilities (2,250 jobs or 8.1%), Food Service and Drinking Places (1,800 jobs or 3.3%), Health Care and Social Assistance (1,800 jobs or 3.3%), and Accommodations (1,250 jobs or 3.3%). The federal government, with a loss of 350 jobs, was the only sector losing jobs in the first nine months of 2005.

Tax Revenues

Through the first nine months of 2005, State general fund tax revenues were up 18.0% from the same period in 2004. This is an increase of about \$498 million compared with the collections during the first nine months of 2004. General excise and use tax (GET) collections increased by about \$206 million or 13.6%, while individual income tax collections increased by \$182 million or 19.7%. Transient accommodations tax (TAT) collections increased by about \$11 million or 7.3%.

Viewed from the fiscal year perspective, comparing the first quarter of FY 04-05 with the first quarter of FY 05-06, State general fund collections are up 16.2%, GET collections are up 11.6%, individual income tax collections are up 11.0%, and TAT collections are up 3.8%.

Income

Nominal personal income, not adjusted for inflation, rose \$3.3 billion or 8.2% in the second quarter of 2005 compared to the second quarter of 2004. Wage and salary disbursements grew by about \$2.2 billion or 9.4% in the second quarter of 2005. Wages and salaries accounted for about 58% of personal income.

Supplements to Wages and Salaries, consisting of employer payments to retirement plans, private group health insurance plans, private workers compensation plans, and other such benefits, increased by \$693 million or 10.8% in the second quarter of 2005 compared to 2004.

Proprietors' Income, the income most closely related to entrepreneurial activity, grew by \$269 million or 9.7% in the second quarter of 2005 compared to the second quarter of 2004.

Dividends, Interest, and Rent rose by \$147 million or 2.4% in the second quarter of 2005. Personal Current Transfer Receipts, consisting largely of retirement and medical payments, grew by \$309 million or 5.9% for the quarter.

Contributions to Government Social Insurance, payments subtracted from personal income, increased \$257 million or 7.7%.

Earnings increased across most private sector industries between the second quarter of 2004 and the second quarter of 2005. In dollar terms, the largest increases came in Construction followed by Management of Companies, Accommodation and Food Service and Health Care and Social Assistance. Federal government earnings increased 5.4 and State and local earnings increased 8.2%.

Prices

Honolulu's inflation rate increased 3.1% in the first half of 2005 down slightly from the 3.3% increase for the second half of 2004. Honolulu's rate was 0.1% higher than the 3.0% inflation experienced on the Mainland during the first half of 2005. The Honolulu increase was produced by the Housing component increasing 4.0% and Transportation, mostly fuels, increasing 4.4%.

Tourism

During the first nine months of 2005, Hawaii's visitor industry continued to improve at a robust pace. Both international and

domestic arrivals increased causing the total number of visitors arriving by air to grow by 7.1% from the same period in 2004. Domestic arrivals increased 7.5%, while international arrivals increased 6.3%. Among the major market areas (MMAs), the greatest increase came from U.S. West (up 7.8%), followed by U.S. East (up 6.1%), and Japan (up 4.3%). Total visitor days increased at a 7.2% rate, slightly higher than the rate of increase in arrivals due to a small increase in average length of stay. Total expenditures of visitors arriving by air are estimated to have increased 8.4% for the first nine months of 2005 over the same period in 2004.

Airline passenger capacity, both scheduled and charter, increased 10.0% through the first nine months of 2005. For the first seven months of 2005, hotel occupancy rates were also up, with the statewide average occupancy rate increasing from 79.1% to 82.3%. The statewide average daily hotel room rate increased 7.3% to \$163.92.

Construction and Real Estate

The major indicators of construction activity remained relatively positive in the first half and three quarters of 2005. The contracting tax base increased 20.4% during the first half of 2005. Over the first three quarters of 2005, the total value of private building authorizations decreased 4.6% statewide from the record level of 2004, but still attained the \$2 billion mark. Through the first nine months of 2005, State Capital Improvement Project expenditures were up 110.1% over the same period in 2004.

The number of single-family units resold was up 1.6% statewide, and Condo/Apt/Townhouse resales were up 5.3%. In Honolulu, the median resale price of single-family units rose 31.1% in the third quarter of 2005 compared to the third quarter of 2004 and condominium unit prices were up 30.2%.

Through the first nine months of 2005, statewide construction jobs averaged 31,850 jobs, up 10.2% compared with the same period in 2004. The construction industry showed job growth in all counties, ranging from 6.8% in Hawaii County to 18.3% in Maui County.

County Economic Conditions

Through the first nine months of 2005, all county economies performed well. Average civilian employment grew faster than the labor force in all counties, leading to reductions in unemployment. Total wage and salary jobs were up in all counties. Both visitor arrivals and visitor days showed growth across all counties, ranging from a 1.6% increase on Kauai to 16.5% growth on the Big Island.

For the first nine months of 2005, average civilian employment growth was 3.7% in Hawaii County, 3.6% on Kauai, 3.2% in Honolulu, and 2.8% in Maui County. The drop in unemployment rate was 0.7 percentage points in Hawaii County and Kauai County, 0.6 in Maui County and down 0.5 percentage points in Honolulu.

All counties showed positive overall rates of job growth during the first nine months of 2005. The City and County of Honolulu picked up 12,000 wage and salary jobs or an increase of 2.8%. The largest absolute increases were in Transportation, Warehousing and Utilities; Construction; Retail Trade; and Professional and Business services, each adding about 2,000 jobs. Hawaii County added 2,050 jobs or 3.3%. Accommodation; Health care and Social Assistance; and Construction had the largest job increases in Hawaii County. Maui County added 1,550 jobs or 2.3%. The biggest gainers were Construction and Professional and Business Services.

Kauai County increased 850 jobs, or 3.0%, lead by Professional and Business Services; Construction; and Retail Trade.

During the first nine months of 2005, visitor arrivals by air increased the most in Hawaii County (17.0%), followed by Honolulu (7.4%), Kauai County (3.8%), and Maui County (3.6%). Hotel occupancy rates were up in three counties, increasing the most, 7.0 percentage points to 86.2% rates in Honolulu. Kauai County occupancy decreased 1.4 percentage points to 79.2%.

Individual income tax collections increased in all counties, with increases ranging from 17.5% in the City and County of Honolulu to a high of 68.7% in Kauai County. GET tax collections were up in Honolulu and Kauai County and down on the Big Island and Maui County. TAT collections grew at double-digit rates in all counties except Maui where it fell 31.9%.

Outlook for the Economy

DBED continues to anticipate solid growth for tourism, personal income, and wage and salary employment for 2005 and 2006. Projections of economic growth for the Mainland U.S., Hawaii's primary visitor market, are reasonably strong, while Japan is projected to grow, but at a slower pace.

Prospects for all three main supports of Hawaii's economy continue to appear positive. The visitor industry, federal spending, and private construction all remain strong. Current building permit levels are still averaging well over \$200 million per month, which should mean a healthy construction sector for the foreseeable future.

The future condition of Hawaii's economy is linked to the state of the mainland U.S. and Japanese economies. The November 2005 *Blue Chip Economic Consensus Forecast* projects real GDP growth in 2005 of 3.5% for the U.S. and 2.0% for Japan. Growth in 2006 is expected

to be 3.3% for the U.S. and 1.9% for Japan. The expectation for U.S. consumer price inflation is about 3.4% in 2005 and 3.1% for 2006.

With data on the first nine months of the year, Hawaii visitor arrivals and visitor days in 2005 are both expected to increase 6.5%. Visitor expenditures are forecast to increase 6.9% in 2005. In 2006, visitor days, visitor arrivals, and visitor expenditures are predicted to increase 2.9%, 2.9%, and 5.8%.

The current nominal personal income forecast is for 7.0% growth in 2005, and for 2006 we project a slightly slower 6.2% growth rate. Real personal income growth rates for 2005 and 2006 are forecast to be 3.5% and 2.8% after deflating the nominal projections by the forecast Honolulu CPI-U.

Hawaii's projected inflation rates for 2005 and 2006 have been raised to 3.4% and 3.3% respectively. The recent housing and energy price pressures felt both in Hawaii and the nation as a whole are the basis for these increases.

**Table 1: ACTUAL AND FORECAST KEY ECONOMIC INDICATORS FOR HAWAII:
2003 TO 2008**

Economic Indicators	2003 (Actual)	2004 (Actual)	2005 (Actual)	2006 (Actual)	2007 (Actual)	2008 (Forecast)
Total population (thousands)	1,249	1,263	1,278	1,292	1,306	1,319
Visitor arrivals (thousands)	6,442	6,992	7,446	7,661	7,853	8,041
Visitor days (thousands)	59,228	63,343	67,469	69,434	71,156	72,846
Visitor expenditures (million dollars)	10,055	10,862	11,610	12,288	12,934	13,589
Honolulu CPI-U (1982-84=100)	184.5	190.6	197.1	203.7	209.4	215.1
Personal income (million dollars)	38,126	41,176	44,047	46,778	49,350	51,966
Real personal income (million \$2000)	36,431	38,086	39,402	40,495	41,551	42,587
Total wage & salary jobs (thousands)	574.8	589.6	605.5	614.8	622.8	630.2
Gross state product (million dollars)	46,671	50,322	53,744	56,861	59,875	62,928
Real gross state product (million \$2000)	42,964	44,976	46,545	47,856	49,068	50,215
Gross state product deflator (2000=100)	108.6	111.9	115.5	118.8	122.0	125.3
Annual Percentage Change						
Total population	1.2	1.1	1.2	1.1	1.1	1.1
Visitor arrivals	-0.2	8.5	6.5	2.9	2.5	2.4
Visitor days	0.5	6.9	6.5	2.9	2.5	2.4
Visitor expenditures	4.6	8.0	6.9	5.8	5.3	5.1
Honolulu CPI-U	2.3	3.3	3.4	3.3	2.8	2.7
Personal income	4.8	8.0	7.0	6.2	5.5	5.3
Real personal income	2.4	4.5	3.5	2.8	2.6	2.5
Total wage & salary jobs	1.9	2.6	2.7	1.5	1.3	1.2
Gross state product	6.5	7.8	6.8	5.8	5.3	5.1
Real gross state product	3.8	4.7	3.5	2.8	2.5	2.3
Gross state product deflator	2.7	3.0	3.2	2.9	2.7	2.7

I/ DBEDT-adjusted U.S. Bureau of Economic Analysis accelerated estimate.

Source: Hawaii State Department of Business, Economic Development & Tourism, November 14, 2005.

**Table 2. SELECTED HAWAII ECONOMIC INDICATORS:
THIRD QUARTER 2005**

SERIES	UNIT	3rd QUARTER 2005		YEAR TO DATE	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	640,000	3.9	631,600	2.6
Civilian employed	Persons	621,500	4.4	613,800	3.2
Civilian unemployed	Persons	18,550	-8.6	17,800	-14.0
Unemployment rate 1/ 2/	%	2.9	-0.4	2.8	-0.5
Total wage and salary jobs	Jobs	603,850	2.8	602,100	2.9
Total non-agriculture wage and salary jobs	Jobs	596,450	2.9	594,800	2.9
Nat. Resources, Mining, Constr.	Jobs	32,950	9.7	31,850	10.2
Manufacturing	Jobs	15,350	-1.0	15,400	0.0
Wholesale Trade	Jobs	17,550	2.9	17,400	2.7
Retail Trade	Jobs	69,150	3.4	68,400	3.6
Transp., Warehousing, Util.	Jobs	30,800	8.3	30,100	8.1
Information	Jobs	10,500	-5.0	10,800	1.9
Financial Activities	Jobs	29,350	1.9	29,200	1.7
Professional & Business Services	Jobs	73,950	4.3	72,800	3.6
Educational Services	Jobs	13,000	2.8	13,200	3.1
Health Care & Social Assistance	Jobs	56,250	3.2	55,850	3.3
Arts, Entertainment & Recreation	Jobs	11,700	1.3	11,600	1.3
Accommodation	Jobs	39,050	2.8	38,900	3.3
Food Services & Drinking Places	Jobs	56,750	3.1	55,950	3.3
Other Services	Jobs	24,650	1.6	24,400	0.6
Government	Jobs	115,450	0.3	119,000	-0.2
Federal	Jobs	31,150	-1.4	31,100	-1.1
State	Jobs	66,750	1.2	70,700	0.1
Local	Jobs	17,550	-0.3	17,200	0.3
Agriculture wage and salary jobs	Jobs	7,400	0.0	7,250	0.0
State general fund revenues	\$1,000	1,099,688	16.2	3,265,228	18.0
General excise and use tax revenues	\$1,000	579,607	11.6	1,713,667	13.6
Income-individual	\$1,000	361,900	11.0	1,105,132	19.7
Declaration estimated taxes	\$1,000	75,850	34.8	315,913	38.3
Payment with returns	\$1,000	20,867	49.1	144,672	19.2
Withholding tax on wages	\$1,000	302,274	6.8	937,183	10.1
Refunds	\$1,000	37,092	35.6	292,636	5.4
Transient accommodations tax	\$1,000	55,381	3.8	161,330	7.3
Visitors Days	Days	17,899,324	7.5	50,672,562	7.2
Domestic visitor days	Days	14,076,667	9.2	39,429,853	7.9
International visitor days	Days	3,822,657	1.8	11,242,709	5.0
Visitor arrivals by air	Persons	1,988,064	7.3	5,575,383	7.1
Domestic flight visitors	Persons	1,444,411	9.6	3,986,212	7.5
International flight visitors	Persons	543,653	1.7	1,589,171	6.3
Hotel occupancy rates 2/	%	84.4	2.9	82.4	4.1

1/ Labor force and jobs are based on monthly rounded data.

2/ Change represents absolute change in rates rather than percentage change in rates.

Source: Hawaii State Department of Labor & Industrial Relations; Hawaii State Department of Taxation; Hawaii State Department of Business, Economic Development, & Tourism and Hospitality Advisors, LLC.

Table 3: SELECTED ECONOMIC INDICATORS - CITY AND COUNTY OF HONOLULU
THIRD QUARTER 2005

SERIES	UNIT	3rd QUARTER 2005		YEAR TO DATE	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO.
Civilian labor force 1/	Persons	447,300	4.0	442,750	2.7
Civilian employed	Persons	434,700	4.4	430,550	3.2
Civilian unemployed	Persons	12,600	-8.7	12,250	-13.1
Unemployment rate 2/	%	2.8	-0.4	2.8	-0.5
Total wage and salary jobs	Jobs	440,250	2.8	440,100	2.8
Total non-agriculture wage and salary jobs	Jobs	438,100	2.8	437,950	2.9
Nat. Resources, Mining, Constr.	Jobs	22,950	8.8	22,150	9.9
Manufacturing	Jobs	12,000	-0.8	12,050	0.4
Wholesale Trade	Jobs	14,200	2.5	14,100	2.5
Retail Trade	Jobs	46,700	4.0	46,200	4.4
Transp., Warehousing, Util.	Jobs	23,100	10.8	22,450	10.6
Information	Jobs	8,650	-6.5	8,950	1.1
Financial Activities	Jobs	22,750	2.2	22,550	1.8
Professional & Business Services	Jobs	59,950	4.6	59,000	3.4
Educational Services	Jobs	10,900	2.3	11,100	2.3
Health Care & Social Assistance	Jobs	43,550	2.6	43,350	2.7
Arts, Entertainment & Recreation	Jobs	7,050	2.2	6,900	0.7
Accommodation	Jobs	15,850	1.9	15,900	3.6
Food Services & Drinking Places	Jobs	40,000	3.2	39,600	4.2
Other Services	Jobs	19,300	1.0	19,100	0.0
Government	Jobs	91,150	-0.1	94,600	-0.5
Federal	Jobs	28,650	-1.7	28,650	-1.2
State	Jobs	50,900	1.1	54,500	-0.1
Local	Jobs	11,600	-1.3	11,450	-0.4
Agriculture wage and salary jobs	Jobs	2,150	0.0	2,200	0.0
General excise and use tax revenues	\$1,000	478,639	13.8	1,437,830	18.1
Income-individual	\$1,000	307,905	9.0	946,373	17.5
Declaration estimated taxes	\$1,000	61,632	50.3	248,548	59.6
Payment with returns	\$1,000	16,143	-5.7	110,710	-9.3
Withholding tax on wages	\$1,000	262,670	6.3	816,536	9.9
Refunds	\$1,000	32,540	42.6	229,422	6.6
Transient accommodations tax	\$1,000	39,243	12.1	115,148	15.6
Visitors Days	Days	8,964,336	7.5	24,881,069	8.0
Domestic visitor days	Days	5,929,753	8.9	16,141,240	7.9
International visitor days	Days	3,034,583	4.9	8,739,829	8.0
Visitor arrivals by air	Persons	1,296,504	7.2	3,589,686	7.4
Domestic flight visitors	Persons	788,584	9.7	2,123,954	7.3
International flight visitors	Persons	507,920	3.6	1,465,732	7.5
Hotel occupancy rates 2/	%	90.2	5.8	86.2	7.0

1/ Labor force and jobs are based on monthly rounded data.

2/ Change represents absolute change in rates rather than percentage change in rates.

Source: Hawaii State Department of Labor & Industrial Relations; Hawaii State Department of Taxation; Hawaii State Department of Business, Economic Development, & Tourism and Hospitality Advisors, LLC.

Table 4. SELECTED ECONOMIC INDICATORS: HAWAII COUNTY
THIRD QUARTER 2005

SERIES	UNIT	NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	82,600	4.4	80,750	2.9
Civilian employed	Persons	79,750	5.0	78,000	3.7
Civilian unemployed	Persons	2,900	-7.9	2,700	-14.3
Unemployment rate 2/	%	3.5	-0.5	3.3	-0.7
Total wage and salary jobs	Jobs	64,600	3.6	63,800	3.3
Total non-agriculture wage and salary jobs	Jobs	61,750	4.0	61,100	3.5
Nat. Resources, Mining, Constr.	Jobs	4,850	9.0	4,700	6.8
Manufacturing	Jobs	1,550	3.3	1,550	6.9
Wholesale Trade	Jobs	1,600	3.2	1,550	3.3
Retail Trade	Jobs	8,850	3.5	8,700	2.4
Transp., Warehousing, Util.	Jobs	2,850	1.8	2,800	1.8
Information	Jobs	600	0.0	600	0.0
Financial Activities	Jobs	2,500	0.0	2,500	2.0
Professional & Business Services	Jobs	4,600	1.1	4,500	1.1
Educational Services	Jobs	900	5.9	900	5.9
Health Care & Social Assistance	Jobs	6,050	6.1	5,950	6.3
Arts, Entertainment & Recreation	Jobs	1,600	3.2	1,550	3.3
Accommodation	Jobs	7,200	6.7	7,200	6.7
Food Services & Drinking Places	Jobs	5,300	2.9	5,150	2.0
Other Services	Jobs	1,900	8.6	1,800	5.9
Government	Jobs	11,350	1.8	11,550	1.3
Federal	Jobs	1,250	0.0	1,200	0.0
State	Jobs	7,700	2.0	7,950	1.3
Local	Jobs	2,400	2.1	2,300	0.0
Agriculture wage and salary jobs	Jobs	2,850	-3.4	2,700	1.9
General excise and use tax revenues	\$1,000	36,302	-1.9	96,771	-14.7
Income-individual	\$1,000	21,927	24.6	65,785	29.0
Declaration estimated taxes	\$1,000	6,487	12.1	29,345	19.8
Payment with returns	\$1,000	1,814	-207.9	14,196	393.9
Withholding tax on wages	\$1,000	15,104	0.9	45,548	-0.2
Refunds	\$1,000	1,478	0.2	23,303	5.9
Transient accommodations tax	\$1,000	4,723	24.1	13,032	11.5
Visitors days by air	Days	2,468,071	16.2	7,292,044	16.5
Domestic visitor days	Days	2,085,017	19.1	6,259,901	18.4
International visitor days	Days	383,054	2.6	1,032,143	6.0
Visitor arrivals by air	Persons	392,213	17.0	1,111,228	17.0
Domestic flight visitors	Persons	306,561	20.9	866,931	19.1
International flight visitors	Persons	85,652	5.0	244,297	10.2
Hotel occupancy rates 2/	%	73.2	-0.5	73.3	1.6

1/ Labor force and jobs are based on monthly rounded data.
 2/ Change represents absolute change in rates rather than percentage change in rates.

Source: Hawaii State Department of Labor & Industrial Relations; Hawaii State Department of Taxation;
 Hawaii State Department of Business, Economic Development, & Tourism and Hospitality Advisors, LLC.

Table 5. SELECTED ECONOMIC INDICATORS: MAUI COUNTY
THIRD QUARTER 2005

SERIES	UNIT	3rd QUARTER 2005		YEAR TO DATE	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	77,150	3.5	75,750	2.2
Civilian employed	Persons	75,050	3.9	73,750	2.8
Civilian unemployed	Persons	2,100	-8.7	1,950	-17.0
Unemployment rate 2/	%	2.7	-0.4	2.6	-0.6
Total wage and salary jobs	Jobs	69,300	2.4	68,750	2.3
Total non-agriculture wage and salary jobs	Jobs	67,700	2.5	67,150	2.6
Nat. Resources, Mining, Constr.	Jobs	3,650	17.7	3,550	18.3
Manufacturing	Jobs	1,400	-6.7	1,450	-6.5
Wholesale Trade	Jobs	1,300	4.0	1,250	4.2
Retail Trade	Jobs	9,450	1.6	9,400	2.2
Transp., Warehousing, Util.	Jobs	3,300	1.5	3,300	1.5
Information	Jobs	950	0.0	950	0.0
Financial Activities	Jobs	2,900	-1.7	2,950	0.0
Professional & Business Services	Jobs	5,950	3.5	5,950	5.3
Educational Services	Jobs	950	0.0	1,000	5.3
Health Care & Social Assistance	Jobs	4,400	4.8	4,350	4.8
Arts, Entertainment & Recreation	Jobs	2,100	0.0	2,100	0.0
Accommodation	Jobs	11,850	1.7	11,700	1.3
Food Services & Drinking Places	Jobs	8,050	3.2	7,800	0.6
Other Services	Jobs	2,700	1.9	2,700	0.0
Government	Jobs	8,750	1.2	8,700	0.6
Federal	Jobs	750	0.0	750	0.0
State	Jobs	5,600	0.9	5,700	0.9
Local	Jobs	2,350	0.0	2,250	2.3
Agriculture wage and salary jobs	Jobs	1,600	-3.0	1,600	-5.9
General excise and use tax revenues	\$1,000	46,380	2.7	126,798	-3.4
Income-individual	\$1,000	22,101	18.4	61,896	28.3
Declaration estimated taxes	\$1,000	4,916	-24.7	24,721	-32.8
Payment with returns	\$1,000	1,955	-284.3	13,720	371.1
Withholding tax on wages	\$1,000	17,430	12.3	52,777	13.3
Refunds	\$1,000	2,201	-5.0	29,321	-2.3
Transient accommodations tax	\$1,000	7,669	-31.9	20,720	-31.9
Visitors days by air	Days	4,552,142	5.4	13,112,135	3.7
Domestic visitor days	Days	4,216,728	7.0	11,900,448	4.4
International visitor days	Days	335,414	-10.6	1,211,687	-2.7
Visitor arrivals by air 3/	Persons	629,979	5.5	1,746,379	3.6
Domestic flight visitors	Persons	569,508	7.5	1,545,418	4.7
International flight visitors	Persons	60,471	-10.2	200,961	-4.4
Hotel occupancy rates 2/ 3/	%	80.7	1.1	81.5	1.9

1/ Labor force and jobs are based on monthly rounded data.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ Data represent Maui Island only.

Source: Hawaii State Department of Labor & Industrial Relations; Hawaii State Department of Taxation; Hawaii State Department of Business, Economic Development, & Tourism and Hospitality Advisors, LLC.

Table 6. SELECTED ECONOMIC INDICATORS: KAUAI COUNTY
THIRD QUARTER 2005

SERIES	UNIT	3rd QUARTER 2005		YEAR TO DATE	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	32,950	3.5	32,400	2.9
Civilian employed	Persons	32,050	4.2	31,500	3.6
Civilian unemployed	Persons	900	-18.2	900	-18.2
Unemployment rate 2/	%	2.7	-0.7	2.8	-0.7
Total wage and salary jobs	Jobs	29,650	2.6	29,400	3.0
Total non-agriculture wage and salary jobs	Jobs	28,850	2.3	28,650	2.7
Nat. Resources, Mining, Constr.	Jobs	1,500	15.4	1,450	11.5
Manufacturing	Jobs	400	0.0	400	0.0
Wholesale Trade	Jobs	450	0.0	450	0.0
Retail Trade	Jobs	4,150	1.2	4,150	2.5
Transp., Warehousing, Util.	Jobs	1,550	0.0	1,550	0.0
Information	Jobs	300	20.0	250	0.0
Financial Activities	Jobs	1,150	0.0	1,150	0.0
Professional & Business Services	Jobs	3,450	4.5	3,350	6.3
Educational Services	Jobs	200	33.3	200	0.0
Health Care & Social Assistance	Jobs	2,200	2.3	2,200	2.3
Arts, Entertainment & Recreation	Jobs	1,050	0.0	1,050	5.0
Accommodation	Jobs	4,100	1.2	4,100	2.5
Food Services & Drinking Places	Jobs	3,400	1.5	3,400	1.5
Other Services	Jobs	750	0.0	750	0.0
Government	Jobs	4,200	1.2	4,200	1.2
Federal	Jobs	500	0.0	500	0.0
State	Jobs	2,500	0.0	2,550	0.0
Local	Jobs	1,200	0.0	1,150	0.0
Agriculture wage and salary jobs	Jobs	800	14.3	750	7.1
General excise and use tax revenues	\$1,000	18,286	11.0	52,267	14.7
Income-individual	\$1,000	9,967	39.4	31,078	68.7
Declaration estimated taxes	\$1,000	2,816	-4.0	13,298	16.9
Payment with returns	\$1,000	954	-347.5	6,047	329.7
Withholding tax on wages	\$1,000	7,069	32.4	22,322	40.8
Refunds	\$1,000	873	18.2	10,589	3.7
Transient accommodations tax	\$1,000	3,746	14.6	12,430	43.5
Visitors days by air	Days	1,914,774	2.6	5,387,314	1.6
Domestic visitor days	Days	1,845,188	5.2	5,128,359	4.5
International visitor days	Days	69,585	-37.6	258,955	-34.3
Visitor arrivals by air	Persons	299,802	6.7	807,813	3.8
Domestic flight visitors	Persons	279,839	9.6	740,124	7.3
International flight visitors	Persons	19,963	-21.8	67,689	-23.4
Hotel occupancy rates 2/	%	81.8	-1.7	79.2	-1.4

1/ Labor force and jobs are based on monthly rounded data.

2/ Change represents absolute change in rates rather than percentage change in rates.

Source: Hawaii State Department of Labor & Industrial Relations; Hawaii State Department of Taxation; Hawaii State Department of Business, Economic Development, & Tourism and Hospitality Advisors, LLC.

Table 7: PERSONAL INCOME FOR HAWAII BY MAJOR SOURCES

[In millions of dollars at seasonally adjusted annual rates. As of Q3ER September 2003, according to NAICS classification only.]

Series	Second Quarter 2004	Second Quarter 2005	Annual average 2003	Annual average 2004	To Second Quarter 2005 From Second Quarter 2004	2004 from 2003	Annual average
PERSONAL INCOME	40,585	43,930	38,126	41,176	8.2	8.0	
Earnings By Place of Work							
Wage and salary disbursements	32,475	35,622	30,508	33,012	9.7	8.2	
Supplements to wages and salaries	23,276	25,461	22,093	23,715	9.4	7.3	
Empl contrib. for employee pension & ins. funds	6,426	7,119	5,882	6,516	10.8	10.8	
Employer contributions for gov't social ins.	4,766	5,352	4,249	4,837	12.3	13.8	
Proprietors' income	1,660	1,767	1,633	1,680	6.4	2.9	
Farm proprietors' income	2,773	3,042	2,534	2,781	9.7	9.7	
Nonfarm proprietors' income	7	10	26	6	42.9	-77.1	
Dividends, interest, and rent	6,188	6,335	5,946	6,279	2.4	5.6	
Personal current transfer receipts	5,262	5,571	4,892	5,273	5.9	7.8	
State unemployment insurance benefits	114	77	159	113	-32.5	-28.7	
Personal current transfer receipts exc State U.I.	5,148	5,494	4,733	5,159	6.7	9.0	
Less: Contributions for gov't social insurance	3,341	3,598	3,220	3,388	7.7	5.2	
Personal contributions for gov't social insurance	1,681	1,831	1,587	1,708	8.9	7.6	
Employer contributions for gov't social insurance	1,660	1,767	1,633	1,680	6.4	2.9	
Earnings By Industry							
Farm Earnings	32,475	35,622	30,508	33,012	9.7	8.2	
Nonfarm Earnings	212	242	222	218	14.2	-2.1	
Private earnings	32,263	35,380	30,286	32,794	9.7	8.3	
Forestry, fishing, related activities, and other 6/	22,011	24,464	20,717	22,501	11.1	8.6	
Mining	58	57	66	58	-1.7	-11.5	
Utilities	34	44	29	36	29.4	24.3	
Natural resources, mining and construction	2,158	2,583	2,042	2,236	19.7	9.5	
Manufacturing	796	836	752	803	5.0	6.7	
Durable goods	281	303	(D)	(D)	7.8	(NA)	
Nondurable goods	515	533	(D)	(D)	3.5	(NA)	
Wholesale trade	950	1,040	906	971	9.5	7.1	
Retail trade	2,204	2,389	2,095	2,229	8.4	6.4	
Transportation and warehousing	1,284	1,455	1,229	1,314	13.3	6.9	
Information	664	653	628	692	-1.7	10.1	
Finance and insurance	1,150	1,255	1,109	1,201	9.1	8.3	
Real estate and rental and leasing	1,133	1,240	989	1,130	9.4	14.3	
Professional and technical services	1,861	2,033	1,783	1,881	9.2	5.5	
Management of companies and enterprises	551	922	492	692	67.3	40.7	
Administrative and waste services	1,332	1,466	1,262	1,353	10.1	7.2	
Educational services	456	464	433	459	1.8	6.2	
Health care and social assistance	2,823	3,072	2,668	2,859	8.8	7.2	
Arts, entertainment, and recreation	444	495	420	448	11.5	6.7	
Accommodation and food services	2,767	3,030	2,553	2,806	9.5	9.9	
Other services, except public administration	1,048	1,141	1,007	1,061	8.9	5.3	
Government and government enterprises	10,252	10,917	9,569	10,294	6.5	7.6	
Federal	6,232	6,566	5,718	6,243	5.4	9.2	
Federal, civilian	2,572	2,667	2,417	2,559	3.7	5.9	
Military	3,660	3,899	3,301	3,684	6.5	11.6	
State and local	4,020	4,350	3,851	4,051	8.2	5.2	

D Estimate is suppressed to avoid disclosure of confidential information.

NA Not available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, State Quarterly Personal Income, September 28, 2005
<<http://www.bea.doc.gov/bea/regional/sapi/>>.

Table 8: RESIDENT POPULATION, BY COUNTIES: 1990 TO 2004

[Based on place of usual residence, regardless of physical location on the estimate or census date.
Includes military personnel stationed or homeported in Hawaii and residents temporarily absent;
excludes visitors present.]

Date	State total	City and County of Honolulu	Hawaii County	Kauai County	Maui County 1/
1990:					
April 1	1,108,229	836,231	120,317	51,177	100,504
July 1 2/	1,113,491	838,534	121,572	51,676	101,709
1991:	1,136,754	850,510	127,266	53,379	105,599
1992:	1,158,613	863,959	131,630	54,439	108,585
1993:	1,172,838	870,348	135,085	55,461	111,944
1994:	1,187,536	878,591	137,713	56,478	114,754
1995:	1,196,854	881,399	140,492	57,068	117,895
1996:	1,203,755	883,443	141,935	57,688	120,689
1997:	1,211,640	886,711	144,445	57,712	122,772
1998:	1,215,233	886,909	145,833	57,843	124,648
1999:	1,210,300	878,906	146,970	58,264	126,160
2000:					
April 1	1,211,537	876,156	148,677	58,463	128,241
July 1	1,212,109	875,352	149,291	58,535	128,931
2001:	1,222,011	879,424	151,779	59,061	131,747
2002:	1,234,514	886,234	154,854	59,990	133,436
2003:	1,248,755	893,358	158,735	60,736	135,926
2004:	1,262,840	899,593	162,971	61,929	138,347

1/ Including Kalawao County (Kalaupapa Settlement). Kalawao had 130 in 1990, 147 in 2000, and 126 in 2004.

2/ Population estimates for 1990 through 1999 were revised based upon the April 1, 2000 figures. The revisions were released April 19, 2002. Population estimates after April 1, 2000 are based on revisions released in April 2005 and may differ somewhat from earlier figures cited in other tables.

Source: U.S. Bureau of the Census, Federal-State Cooperative Program for Population Estimates, "Time Series of Hawaii Intercensal Population Estimates by County: April 1, 1990 to April 1, 2000" (CO-EST2001-12-15)

<<http://erie.census.gov/popest/data/counties/tables/CO-EST2001-12/CO-EST2001-12-15.php>> accessed April 19, 2002; "Table 1: Annual Estimates of the Population for Counties of Hawaii: April 1, 2000 to July 1, 2004" (CO-EST2004-01-15) (April 14, 2005)
<<http://www.census.gov/popest/counties/tables/CO-EST2004-01-15.xls>> accessed April 14, 2005.